

CONTRA COSTA COUNTY ECONOMIC FORECAST

Contra Costa County is located on the eastern edge of the San Francisco Bay. It has a population of 1.1 million people and a total of 344,700 wage and salary jobs. The per capita income is \$66,656, and the average salary per worker is \$74,881.

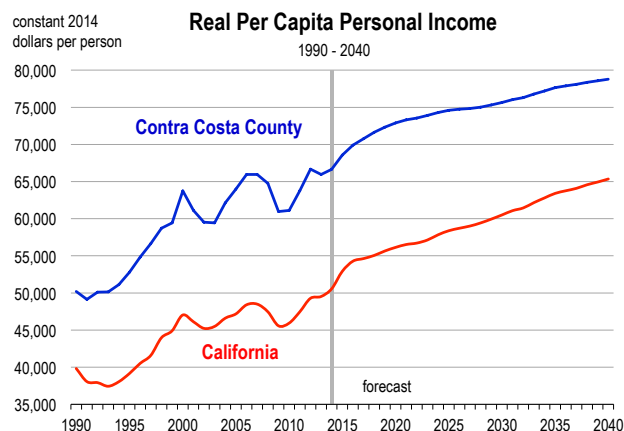
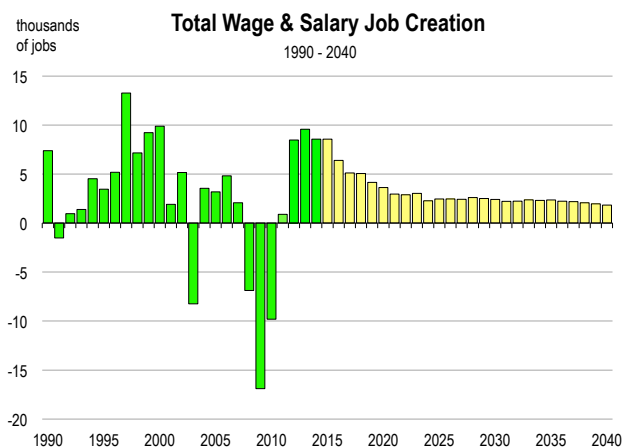
In 2014, employment in Northern California increased by 3.4 percent, whereas employment in the greater Bay Area grew by 4.0 percent. In Contra Costa County, 8,600 jobs were created, representing an increase of 2.6 percent. The unemployment rate improved substantially, falling from 7.3 percent in 2013 to 6.0 percent in 2014.

During 2014, the largest employment increases were observed in professional and business services (+1,900 jobs), leisure and hospitality (+1,800 jobs), education and healthcare (+1,200 jobs), and wholesale and retail trade (+1,100 jobs). Employment losses were greatest in financial activities (-190 jobs) and information (-130 jobs).

Between 2009 and 2014, the population increased at an annual average rate of 1.0 percent. About half of this growth was the result of net migration, as an average of 5,500 net migrants entered the county each year. Over the next five years, net migration will remain relatively strong.

FORECAST HIGHLIGHTS

- In 2015, total employment will expand by 2.5 percent. From 2015 to 2020, employment growth is expected to average 1.3 percent per year.
- Average salaries are currently above the California State average, and will remain so for the foreseeable future. In Contra Costa County, inflation-adjusted salaries are forecasted to rise by an average of 1.0 percent per year between 2015 and 2020.
- The largest job gains will be observed in leisure and hospitality (+6,000 jobs), education and healthcare (+5,300 jobs), professional and business services (+4,100 jobs), and wholesale and retail trade (+1,900 jobs). Together, these industries will account for 71 percent of net job creation between 2015 and 2020.
- The population of Contra Costa County is projected to grow at an annual average rate of 1.1 percent from 2015 to 2020.
- From 2015 to 2020, an average of 6,900 net migrants will enter the county each year, accounting for almost 60 percent of total population growth.

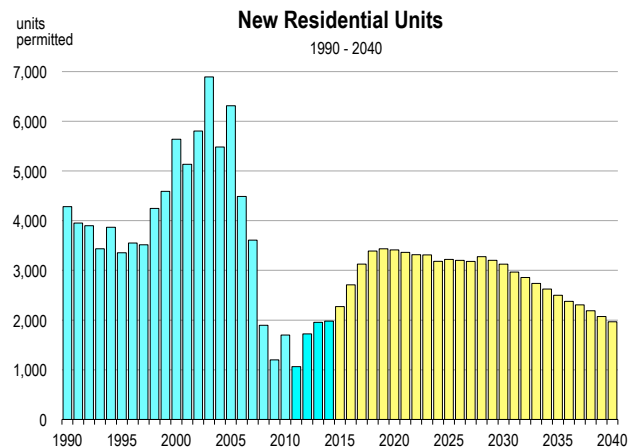
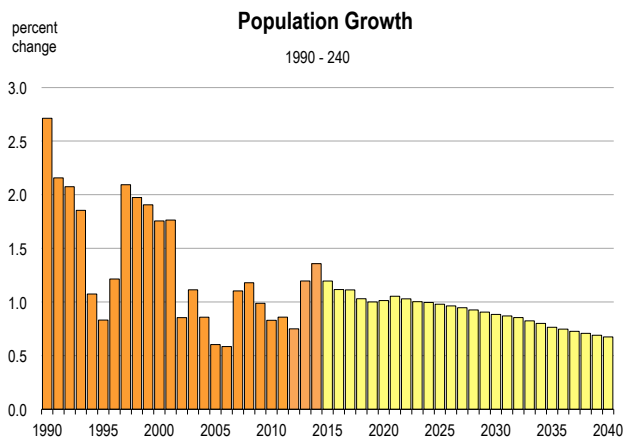


- Between 2015 and 2020, an average of 3,100 housing permits will be issued each year. The largest development project in the county will be located near the North Concord/Martinez Bart station. The project will contain up to 12,250 new homes. Construction may begin within the next few years, but will continue well beyond the year 2020.
- Real per capita income will increase by 2.8 percent in 2015. Between 2015 and 2020, real per capita income is forecasted to grow by 1.2 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 0.7 percent per year from 2015 to 2020.
- Industrial production is expected to rise by 4.0 percent in 2015. Between 2015 and 2020, the growth rate of industrial production will average 4.1 percent per year.

Contra Costa County Economic Forecast

2006-2014 History, 2015-2040 Forecast

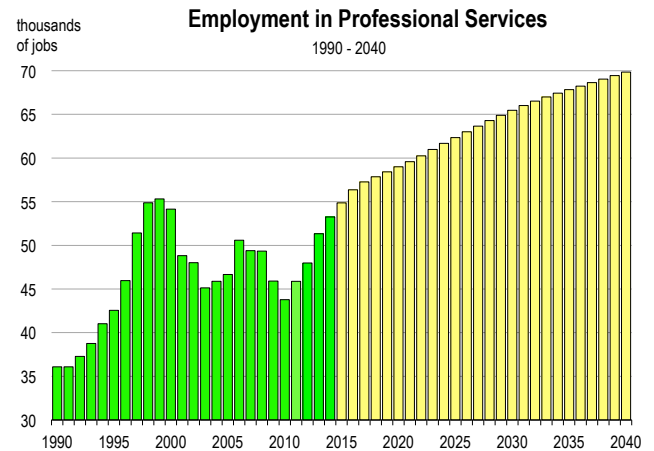
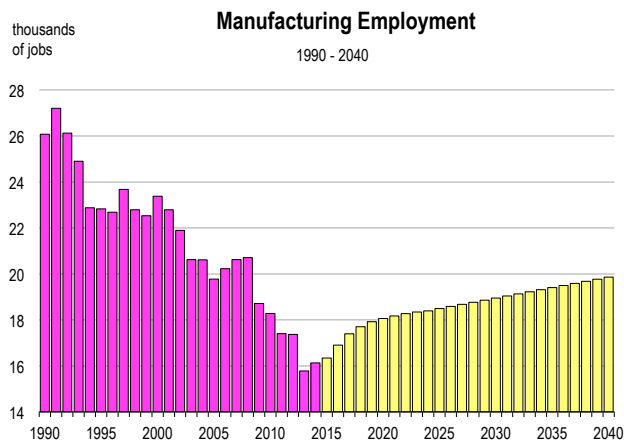
	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	1,010,104	-533	0.92	367.9	4,488	\$13.9	\$55.3	\$65,964	3.2	100.6	5.0	4.5
2007	1,021,251	4,402	0.92	371.6	3,607	\$14.1	\$57.8	\$65,959	3.4	89.3	5.2	4.7
2008	1,033,292	5,646	0.92	374.2	1,894	\$13.3	\$59.1	\$64,761	2.9	80.7	5.6	6.2
2009	1,043,501	4,155	0.92	375.2	1,201	\$11.9	\$56.6	\$60,950	0.8	72.3	5.3	10.5
2010	1,052,157	3,008	0.92	375.4	1,699	\$12.0	\$58.0	\$61,119	1.3	88.2	5.1	10.9
2011	1,061,197	3,945	0.91	376.4	1,063	\$12.8	\$62.7	\$63,778	2.7	100.3	4.8	10.1
2012	1,069,158	2,992	0.92	377.8	1,722	\$14.0	\$67.8	\$66,669	2.7	95.7	4.9	8.7
2013	1,081,948	7,814	0.95	378.9	1,955	\$14.5	\$69.4	\$65,946	2.3	99.6	4.6	7.3
2014	1,096,637	9,623	0.97	380.6	1,979	\$15.0	\$73.1	\$66,656	2.8	96.8	4.8	6.0
2015	1,109,751	8,079	0.98	384.1	2,271	\$16.2	\$77.0	\$68,548	1.2	96.3	5.0	5.3
2016	1,122,139	7,371	0.99	387.7	2,709	\$16.9	\$81.9	\$69,917	3.2	96.3	5.3	4.5
2017	1,134,629	7,455	1.00	390.9	3,126	\$17.5	\$86.5	\$70,771	3.2	97.4	5.5	4.2
2018	1,146,324	6,638	1.01	394.0	3,389	\$18.2	\$91.2	\$71,626	3.0	98.7	5.7	4.1
2019	1,157,796	6,376	1.02	397.4	3,434	\$18.8	\$95.6	\$72,334	2.8	99.6	5.9	4.0
2020	1,169,532	6,617	1.03	400.7	3,412	\$19.5	\$100.2	\$72,895	2.9	100.1	6.1	4.0
2021	1,181,858	7,203	1.03	403.9	3,362	\$20.1	\$104.9	\$73,301	3.0	100.3	6.3	4.0
2022	1,194,028	7,022	1.04	407.0	3,315	\$20.7	\$109.7	\$73,539	3.1	100.7	6.6	4.0
2023	1,206,007	6,815	1.05	410.3	3,311	\$21.3	\$114.3	\$73,922	2.7	100.9	6.8	4.0
2024	1,218,017	6,848	1.05	413.5	3,182	\$22.0	\$119.0	\$74,292	2.6	101.2	7.0	4.0
2025	1,229,949	6,789	1.06	416.5	3,221	\$22.8	\$124.0	\$74,589	2.8	101.5	7.2	4.0
2026	1,241,804	6,727	1.06	419.6	3,202	\$23.5	\$129.0	\$74,735	2.8	101.7	7.5	4.0
2027	1,253,562	6,653	1.07	422.7	3,180	\$24.3	\$134.1	\$74,836	2.8	102.0	7.7	4.0
2028	1,265,173	6,553	1.08	425.7	3,276	\$25.3	\$139.3	\$75,031	2.7	102.2	8.0	4.0
2029	1,276,637	6,423	1.08	428.8	3,202	\$26.2	\$144.6	\$75,319	2.5	102.5	8.3	3.9
2030	1,287,929	6,297	1.09	431.9	3,125	\$27.2	\$150.0	\$75,658	2.4	102.8	8.6	3.9
2031	1,299,138	6,223	1.10	434.8	2,966	\$28.4	\$155.5	\$76,032	2.3	103.0	8.9	3.9
2032	1,310,246	6,132	1.11	437.6	2,857	\$29.6	\$161.3	\$76,313	2.5	103.3	9.2	3.9
2033	1,321,049	5,830	1.12	440.3	2,738	\$30.9	\$167.0	\$76,780	2.1	103.5	9.6	3.9
2034	1,331,627	5,631	1.12	443.0	2,624	\$32.2	\$173.1	\$77,206	2.3	103.7	9.9	3.9
2035	1,341,809	5,301	1.13	445.5	2,499	\$33.5	\$179.6	\$77,642	2.4	104.0	10.3	3.9
2036	1,351,838	5,195	1.14	447.9	2,377	\$34.7	\$186.5	\$77,897	2.8	104.2	10.7	3.9
2037	1,361,664	5,076	1.14	450.2	2,306	\$35.9	\$193.7	\$78,099	2.8	104.5	11.1	3.9
2038	1,371,305	4,977	1.15	452.5	2,188	\$37.2	\$201.0	\$78,375	2.7	104.7	11.5	3.9
2039	1,380,772	4,884	1.16	454.7	2,072	\$38.5	\$208.7	\$78,568	2.8	105.0	11.9	3.9
2040	1,390,088	4,809	1.17	456.7	1,966	\$39.7	\$216.4	\$78,782	2.8	105.2	12.3	3.9

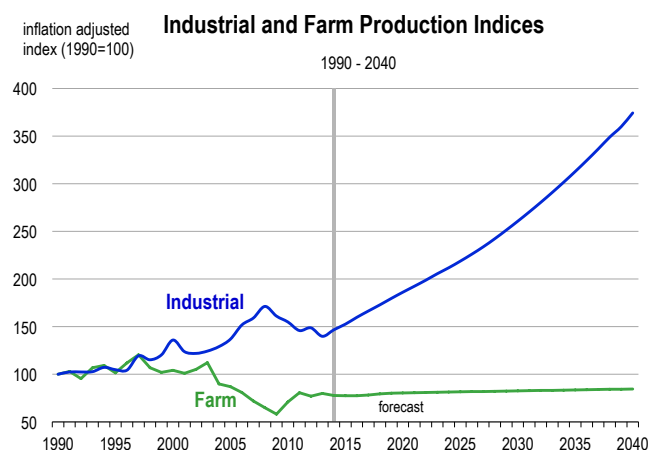
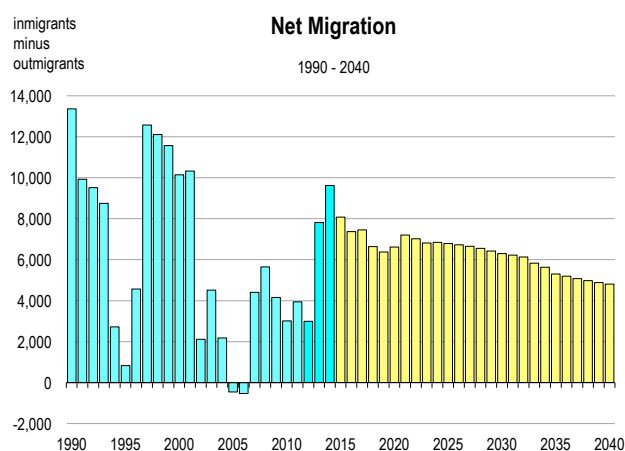
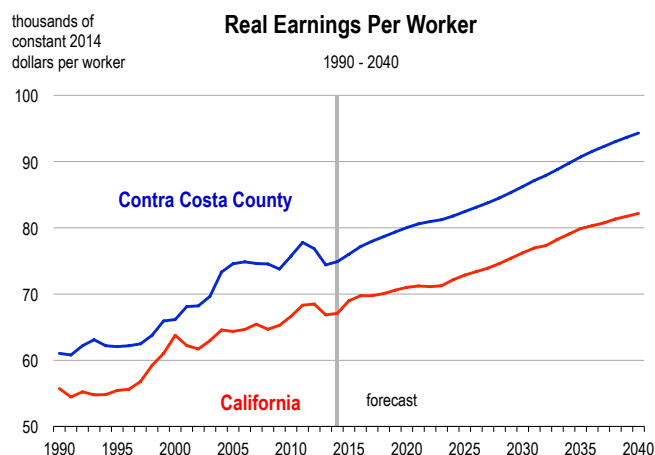
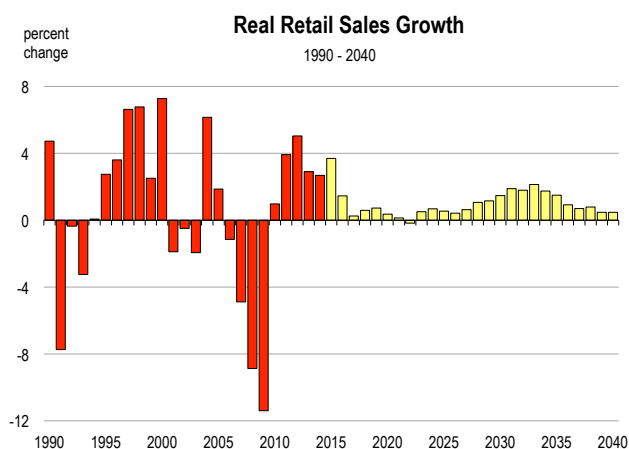


Contra Costa County Employment Forecast

2006-2014 History, 2015-2040 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
	employment (thousands of jobs)											
2006	348.7	0.73	30.2	20.2	8.4	53.1	32.1	50.6	13.4	46.6	32.4	48.9
2007	350.8	0.73	29.1	20.6	8.8	53.5	29.1	49.4	13.0	48.7	33.2	52.2
2008	343.9	0.67	25.8	20.7	8.9	52.3	26.6	49.3	11.8	50.0	32.8	52.6
2009	327.0	0.76	21.2	18.7	8.3	49.0	25.7	45.9	10.4	52.9	31.2	51.3
2010	317.2	0.71	18.3	18.3	8.0	48.0	25.3	43.8	9.6	53.0	31.3	49.2
2011	318.1	0.83	17.8	17.4	8.1	48.4	24.8	45.9	9.0	53.5	32.3	47.8
2012	326.6	0.79	19.7	17.4	8.1	49.3	25.3	48.0	8.4	55.7	33.5	48.0
2013	336.1	0.96	21.6	15.8	8.5	49.6	25.3	51.3	8.5	58.7	35.7	48.1
2014	344.7	0.94	22.5	16.1	9.0	50.7	25.1	53.3	8.3	59.9	37.5	48.9
2015	353.2	0.93	23.7	16.3	9.2	51.5	25.1	54.9	8.6	61.9	39.1	49.2
2016	359.6	0.93	23.3	16.9	9.4	52.2	25.4	56.4	8.9	63.2	40.5	49.6
2017	364.8	0.95	23.2	17.4	9.5	52.6	25.7	57.3	9.1	64.0	41.9	49.9
2018	369.8	0.96	23.6	17.7	9.7	53.0	26.0	57.9	9.3	65.1	43.1	50.1
2019	374.0	0.97	23.8	17.9	9.8	53.2	26.2	58.4	9.5	66.2	44.1	50.3
2020	377.6	0.98	23.9	18.1	9.9	53.4	26.2	59.0	9.7	67.2	45.0	50.5
2021	380.5	0.98	23.9	18.2	10.0	53.6	26.1	59.6	9.9	68.3	45.8	50.5
2022	383.4	0.98	23.9	18.3	10.1	53.6	25.9	60.2	10.0	69.5	46.4	50.6
2023	386.4	0.98	24.1	18.3	10.2	53.8	25.7	61.0	10.1	70.6	46.9	50.7
2024	388.7	0.99	23.7	18.4	10.3	53.9	25.5	61.7	10.2	71.6	47.4	50.8
2025	391.2	0.99	23.7	18.5	10.4	54.1	25.3	62.3	10.3	72.6	47.8	50.9
2026	393.6	0.99	23.8	18.6	10.6	54.2	25.1	63.0	10.5	73.5	48.1	51.0
2027	396.0	1.00	23.8	18.7	10.7	54.4	24.9	63.7	10.6	74.4	48.4	51.1
2028	398.6	1.00	24.0	18.8	10.8	54.6	24.7	64.3	10.7	75.3	48.7	51.2
2029	401.1	1.00	24.0	18.9	10.9	54.8	24.5	64.9	10.8	76.3	48.9	51.4
2030	403.6	1.01	24.0	18.9	11.1	55.1	24.3	65.5	10.9	77.3	49.1	51.5
2031	405.8	1.01	23.7	19.0	11.2	55.5	24.0	66.0	11.1	78.3	49.4	51.6
2032	408.0	1.01	23.4	19.1	11.3	55.9	23.8	66.5	11.2	79.4	49.6	51.8
2033	410.4	1.01	23.3	19.2	11.5	56.4	23.5	67.0	11.3	80.4	49.8	51.9
2034	412.7	1.02	23.2	19.3	11.6	56.9	23.2	67.4	11.4	81.4	50.1	52.0
2035	415.0	1.02	23.1	19.4	11.8	57.3	22.9	67.8	11.6	82.4	50.3	52.2
2036	417.3	1.02	23.1	19.5	11.9	57.7	22.5	68.2	11.7	83.4	50.5	52.3
2037	419.5	1.02	23.1	19.6	12.1	57.9	22.1	68.6	11.8	84.5	50.7	52.4
2038	421.5	1.03	23.1	19.7	12.2	58.2	21.7	69.0	12.0	85.5	50.9	52.6
2039	423.5	1.03	23.1	19.8	12.4	58.4	21.2	69.4	12.1	86.5	51.2	52.7
2040	425.3	1.03	23.0	19.9	12.5	58.6	20.7	69.8	12.2	87.5	51.4	52.8





County Economic and Demographic Indicators

Projected Economic Growth (2015-2020)

Expected retail sales growth:	7.3%
Expected job growth:	9.5%
Fastest growing jobs sector:	Leisure Services
Expected personal income growth:	16.6%

Expected population growth:	6.7%
Net migration to account for:	57.6%
Expected growth in number of vehicles:	5.7%

Demographics (2015)

Unemployment rate (March 2015):	5.0%
County rank* in California (58 counties):	10th
Percent of population working age:(16-64)	65.1%

Population with B.A. or higher:	39.1%
Median home selling price (2014):	\$450,000
Median household income:	\$76,218

Quality of Life

Violent crime rate (2013):	360 per 100,000 persons
County rank* in California (58 counties):	28th
Average commute time to work (2015):	37.2 minutes

High School drop out rate (2014):	7.4%
Households at/below poverty line (2015):	8.1%

* The county ranked 1st corresponds to the lowest rate in California